

REMARKS

In the outstanding Official Action, the Examiner:

(1) rejected claims 1-10 under 35 USC 101 because the claimed invention is directed to non-statutory subject matter;

(2) rejected claims 1, 9 and 10 under 35 USC 103(a) as being unpatentable over Roseborough et al. (U.S. Patent No. 6,141,019) ("Roseborough"); and

(3) rejected claims 2-8 under 35 USC 103(a) as being unpatentable over Roseborough in view of Hayes-Ruth et al. (U.S. Patent No. 6,031,549) ("Hayes-Ruth").

In response to Item 1 above, Applicants have amended claims 1-10 so that the claims are directed to a system. Applicants believe these amendments are sufficient to overcome the 101 rejection.

In response to Items 2 and 3 above, Applicants respectfully disagree with the Examiner's rejections, however, Applicants have amended claims 1, 2 and 7-9 in order to more clearly define the present invention and distinguish it from the prior art. More particularly, Applicants have amended these claims to recite the limitation that the additional virtual characters (or elements) are capable of interacting with one another and with the virtual character (or element) which already exists in the virtual environment.

The ability to add additional elements to the virtual environment after creation of the system, with the additional elements functioning in precisely the same manner that they would have if they had been placed into the virtual world at the time the system was created, is an important feature of the present invention, and one that Applicants do not believe is anticipated or rendered obvious by Roseborough. Furthermore, the

introduction of additional virtual elements allows the system of the present invention to be dynamically expandable and allows the development of the emotion, behavior and learning states of the elements to be entirely unpredictable.

Applicants do not believe that synthetic creatures which are (i) capable of interacting with one another and (ii) capable of interacting with synthetic creatures already contained in the environment can be merged into the pre-existing system of Roseborough and thereafter properly interact with that environment.

In addition, the reference of Hayes-Ruth is not believed to remedy the aforementioned deficiencies of Roseborough.

Accordingly, claims 1, 2 and 7-9 are believed to be allowable over Roseborough, whether it is viewed alone, or in combination with Hayes-Ruth.

Claims 3-6 depend from claim 2, either directly or indirectly, and are believed to be allowable at least through dependency.

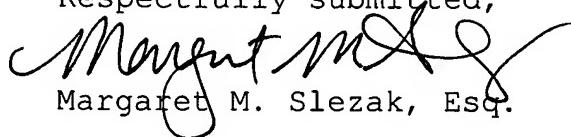
Claim 10 directly depends from claim 9 and is believed to be allowable at least through dependency.

Thus, Applicants believe that claims 1-10 are now in condition for allowance, and allowance thereof is respectfully requested.

In the event that any additional fees may be required in this matter, please charge the same, or credit any overpayment, to Deposit Account No. 16-0221.

Thank you.

Respectfully submitted,



Margaret M. Slezak, Esq.

Registration No. 55,625

Pandiscio & Pandiscio, P.C.

470 Totten Pond Road

Waltham, MA 02451-1914

Tel. No.: (781) 290-0060

MMS/INGEENI1.AMD2